178 The totally new factor of
154 machine-powered industrialism is
now beginning to penetrate the lives of both cultivators and
[412] herdsmen. Industrially equipped engineering could lead water to fields which the oasis cultivator, working with his broad-bladed mattock, the traditional Inner Asian *ketman*, could never reach. Modern industry could process the wool and hides of the livestock breeder in ways which the nomadic society was never able to evolve. In addition, it could exploit mineral resources in ways which would make it possible to put together, out of the unjoined fragments which lie scattered through Sinkiang, a new, many-sided society of farming, livestock breeding, mining, industry,
[382] technology, and levels of education previously out of reach. Of
[133] the primary industrial materials, Sinkiang has oil, coal, and probably iron in large but unknown quantities. It has water power. Of the scarcer industrial materials, it has copper. It also has gold.

177 The industrial civilization is approaching Sinkiang from two sides at once. From China, American planes sometimes fly in. A few American trucks and cars are already there. American bulldozers have pushed better roads nearer and nearer. One strategic road has already crossed a corner of the Tibetan plateau to the line of southern oases. American geologists have prospected the mineral resources. American arms equipped the Chinese forces which held the province in the last years of Kuomintang rule.

Soviet industrialization stands much closer to the frontiers of Sinkiang. It has already transformed the face of Soviet Inner Asia with mines, factories, new irrigation works, hydroelectric dams, and more facilities for advanced industrial training than there are in the whole of China. Soviet trade is essential to Sinkiang; and the only non-Chinese natives of Sinkiang who have had modern university training have received it in Soviet territory, not in China.

411 Today in Sinkiang, however, industry is still negligible, and the two principal types of economy are pastoral nomadism and oasis farming. Most of the oasis farming is in the Tarim Basin, where man brings water to the desert by irrigation. The homeland of nomadism is Jungaria, where man adapted himself to geography by abandoning agriculture and taking to the herding of animals.

3: Skrine G-3 (1922-1924) 1926 All Sinkiang All

622 methods by which the unscrupulous General exploited his
601 command. One illustration will suffice. The chief product
[313 of his shale-oil workings at Kanjugan, 30 miles west of Kash-
[382 gar, was kerosene, which was in great request owing to the failure of the Russian supplies. This he sold at monopoly prices to the public, including ourselves at the Consulate. But for certain by-products of the New City refinery, such as paraffin wax, there was little demand. Accordingly in the winter of 1923–4, the Titai conceived the idea of portioning out the two towns into wards and appointing certain Begs and other trusty henchmen to distribute so much paraffin wax *per mensem* to each shopkeeper, whether he wanted it or not, at a fixed rate. The cobblers, who used wax in their trade, had to take double rations. Very soon complaints began to be heard, which were eventually voiced by the Aqsaqal or headman of the cobblers. He petitioned the Titai to let the cobblers off taking any more of his wax, as they were overstocked, besides which they preferred bees'-wax. The Titai's answer to this petition was to have the man beaten to death, and to fine his widow so heavily that she had to sell the house over her head to pay the fine. As might be expected, the underlings engaged in the distribution of the wax lined their own pockets liberally. They took to compounding with the shopkeepers at so much a head, and the forced sale developed into a regular monthly tax on shopkeepers. The distributors ceased to confine their depredations to the towns of Old and New Kashgar and sent agents all over the districts collecting the wax *gabelle* from petty shopkeepers in the remotest villages.

704 Apart from his industrial enterprises and his more direct methods of robbery and extortion, the Titai drew large sums from the Kashgar Treasury for the upkeep of the troops with which he was supposed to guard the frontier and garrison the towns. Needless to say, not a tenth of these sums was spent. The nominal strength of the Titai's forces was between 4,000 and 5,000; the actual number maintained may have been about 500. Most of these were quarter-trained, opium-sodden wretches who received neither pay, rations nor equipment, and lived on the country by virtue of the fear inspired by their terrible chief, and the antiquated (and in most cases quite useless) carbines they carried. But the Titai was wrong in thinking that he could eat his cake and have it, for his Gilbertian army proved his downfall.

in understanding the long-run economic potential of this region, it is equally true that there must have been some other reasons forcing them to develop this remote region more swiftly than they might otherwise have done, investing in it sizable amounts of much needed capital backed by considerable forced labor. Other factors, both internal and external, should therefore be taken into consideration. In the first place, Communist China had made a tremendous effort to shift the center of its gravity from the coastal regions into these relatively empty lands bordering Soviet central Asia, perhaps partly as a result of the United Nations embargo and the Korean War. Secondly, the forced pace of development in the Northwest might be partly a defense measure. During the War in Korea it became clear how vulnerable Manchuria was to bombing attacks. Had the United Nations chosen to do so, most of Manchuria's industrial complexes could have been destroyed. But in the Northwest, factories, railways and mines were far safer than anywhere else in China. Moreover, this area would assure maximum secrecy for projects which Red China and Russia were reported to have been jointly undertaking. ("I Saw Communist China" by Robert Guillain in the Saturday Evening Post, June 2, 1956. p. 114.)

Following on the heels of the railway construction work, a huge oil refinery at Lanchou was built. It is also reported that between Lanchou and the site of the refinery, a road was constructed more than twice as wide as Fifth Avenue in New York city, and a large hill thickly covered with houses was completely leveled to make the road straight. At Lanchou the railway yard under construction contained fifty kms. of tracks, with modern equipment such as turntables, grain silos, refrigerating plants and the like, all brought from Russia. Along the wide road, the beginning of what is called New Lanchou has arisen. In Sinkiang, a new city was born in Urumchi, where giant factories have been built, including the Sinkiang Non-ferrous Metals Co., the Sinkiang Petroleum Co., the Sinkiang "August 1st" Iron and Steel Plant, the Sinkiang Machinery Plant, the October Motor Car Repair and Assembly Shop, the Urumchi Automatic Electric Plant, and the like. This accomplishment in industrial construction and future plans of industrial development are indeed very much tied up with communications development.

Communist China may very well focus its principal attention on the Northwest during the period of its second Five Year Plan scheduled to begin in 1958, just as the first Five Year Plan concentrated on the Northeast. The Northwest might then play a major role in the economic relations between China and Russia, and be industrialized to a level comparable with Manchuria.

It may therefore be concluded that so long as there are both internal and external pressures, and the "lean-to-one-side"